



Fiscal Impacts of Coal Ash Remediation Project Options Council Business Meeting Date: October 10, 2018

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The purpose of this memorandum is to provide some background information and context related to the Town's capital program and debt capacity and how the Coal Ash Remediation project fits into the equation.

Background: The capital projects that the Town currently has planned for the next five years exceeds the capacity in the Debt Management Fund. The Debt Management Fund is the Town's primary source of funding for capital projects through a dedicated property tax rate (8.2 cents for FY 2019). The capacity to issue new debt is a function of cash flow available in the Debt Management Fund to pay additional debt service. That capacity is represented by the extent that revenues and available fund balance exceed planned expenditures.

The list of projects (excluding enterprise debt) included in the FY 2019 – FY 2023 debt financing funding plan are:

Projects Included in the Plan	
* Streets & Sidewalks	\$ 7,700,000
* Municipal Services Center	31,400,000
* EF (Blue Hill) Phase II	2,600,000
* Wallace Deck	<u>2,400,000</u>
Total	\$ 44,100,000

The \$2.4 million cost for the Wallace Deck renovation/expansion project is the amount that has been set aside as a placeholder in the Debt Management Fund for this project. The Town has not decided how to proceed with this project (renovation, 1 floor option, 3 floor option). Once a decision is made we will be able to determine the true cost of this project.

Several other projects have also been identified as capital interests that are not included in the debt financing funding plan. The next page includes a list of unfunded CIP projects for future financing. This list was included as part of the materials for the Town's 2018-19 approved budget.

TABLE 2: Other Sources - Current Year Budget and Future Year Budget Requests

Reference #	Project	Revised Budget 2017-18	Adopted 2018-19	2019-20	2020-21	2021-22	2022-23	2024-34	Fund Source
	Municipal Operations Facilities								
37	Fire Station 1 Replacement	-	-	-	-	3,376,527	-	-	Future Financing
38	Fire Station 2 Replacement	-	-	2,652,250	-	-	-	-	Future Financing
39	Fire Station 3 Replacement	-	-	-	150,000	2,400,000	750,000	-	Future Financing
40	Fire Station 4 Replacement	-	-	-	2,652,250	-	-	-	Future Financing
41	Building Addition to Public Works	-	-	-	-	-	-	1,920,000	Future Financing
42	Library Roof Replacement	-	-	-	-	-	-	400,000	Future Financing
43	Transit Roof Replacement	-	-	-	-	-	-	400,000	Future Financing
44	Public Works Roof Replacement	-	-	-	-	-	-	575,000	Future Financing
45	100 West Rosemary Renovation	-	-	450,000	3,300,000	-	-	-	Future Financing
46	Public Safety Headquarters (MSC)	-	-	1,020,876	1,722,377	21,651,971	191,375	-	Future Financing
47	Parks & Recreation Facility	-	-	142,982	257,368	3,235,350	28,596	-	Future Financing
48	Solid Waste Transfer Station	-	-	-	75,000	75,000	425,000	4,700,000	Future Financing
49	Wallace Parking Facility	17,908	300,000	2,400,000	-	-	-	-	Future Financing
69	Downtown Parking Deck	-	-	-	2,712,827	2,794,212	28,878,039	-	Future Financing
70	Downtown Parking Lot	-	-	3,386,125	305,009	-	-	-	Future Financing
	TOTAL	\$ 17,908	\$ 300,000	\$ 10,052,233	\$ 11,174,831	\$ 33,533,060	\$ 30,273,010	\$ 7,995,000	

NOTE > These projects were submitted as capital projects with future financing that are not part of the funded plan in the Debt Management Fund. Please see page 296-297 of the 2018-19 Annual Budget.